

**FEDERAL ELECTION COMMISSION**  
999 E Street, N.W.  
Washington, D.C. 20463

**FIRST GENERAL COUNSEL'S REPORT**

**SENSITIVE**

Staff Member: Albert R. Veldhuyzen

Audit Referral: 00-08

Audit Referral Date: May 26, 2000

Date Activated: September 11, 2001

Statute of Limitations Expiration:

January 1, 2000 — May 23, 2002

**SOURCE:**

**AUDIT REFERRAL**

**RESPONDENTS:**

Democratic Party of Arkansas and  
Ron Oliver, as treasurer

**RELEVANT STATUTES/REGULATIONS:**

2 U.S.C. § 441a(f)

2 U.S.C. § 441b(a)

2 U.S.C. § 432(c), (d)

2 U.S.C. § 434(b)(3)(A)

2 U.S.C. § 434(b)(4)(H)(V)

11 C.F.R. § 103.3(b)(1), (3), (4), (5)

11 C.F.R. §§ 102.9(a), (b), (c), (d)  
11 C.F.R. § 102.5(a)(1)(i)  
11 C.F.R. § 104.7(b)(2)  
11 C.F.R. § 104.7(b)(4)(i)(A)  
11 C.F.R. § 104.10(b)  
11 C.F.R. § 106.5(f)(1)  
11 C.F.R. § 106.5(g)(2)

**INTERNAL REPORTS CHECKED:**      Audit Documents  
   Disclosure Reports

**FEDERAL AGENCIES CHECKED:**      None

**I.      GENERATION OF MATTER**

Audit Referral 00-08 was generated by an audit of the Democratic Party of Arkansas.

Federal Account ("Committee") and Ron Oliver, as treasurer, undertaken in accordance with

1 2 U.S.C. § 438(b). The Audit covered the period between January 1, 1995 and December 31,  
2 1996. The Audit Division's referral materials are attached. Attachment 1.

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7 **II. FACTUAL AND LEGAL ANALYSIS**

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9 **A. Excessive Contributions (AR 00-08)**

10 On October 6, 1995 and November 30, 1995, the Committee deposited into its federal  
11 account contributions of \$20,000 and \$5,000 respectively from C.J. Giroir, Jr. Two other  
12 contributions from Chester D. Phillips in the amounts of \$5,000 each were deposited on July 15,  
13 1996 and October 3, 1996. After receiving "Requests for Additional Information" notices, the  
14 Committee transferred \$20,000 to its non-federal account on December 23, 1996 and \$5,000 on  
15 January 23, 1997. Attachment 1 at 4.  
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7       The Office of General Counsel also recommends that the Commission find reason to  
8 believe that C.J. Giroir violated 2 U.S.C. § 441a(a)(C) by making excessive contributions  
9 totaling \$20,000. Furthermore, the Office of General Counsel recommends that the Commission  
10 find reason to believe that Chester D. Phillips violated 2 U.S.C. § 441a(a)(C) by making  
11 excessive contributions in the amount of \$5,000. However, this Office also recommends that the  
12 Commission take no further action and send an admonishment letter with regard to C.J. Giroir  
13 and Chester D. Phillips because of the expiration of the statute of limitations.  
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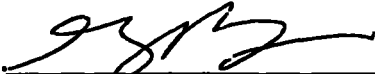
IV. RECOMMENDATIONS

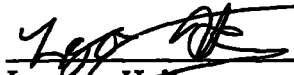
1. Open a MUR for Audit Referral 00-08.

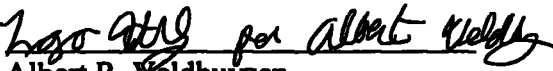
3. Find reason to believe that C.J. Giroir violated 2 U.S.C. § 441a(a)(C) by making excessive contributions totaling \$20,000 but take no further action and send the appropriate letter.
4. Find reason to believe that Chester D. Phillips violated 2 U.S.C. § 441a(a)(C) by making excessive contributions in the amount of \$5,000 but take no further action and send the appropriate letter.

Lawrence H. Norton  
General Counsel

11/1/01  
Date

BY:   
Gregory R. Baker  
Acting Associate General Counsel

  
Lorenzo Holloway  
Assistant General Counsel

  
Albert R. Veldhuyzen  
Attorney



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

**MEMORANDUM**

**TO:** Office of the Commission Secretary

**FROM:** Office of General Counsel *Ys.*

**DATE:** November 1, 2001

**SUBJECT:** Democratic Party of Arkansas AR 00-08  
The attached is submitted as an Agenda document for the Commission Meeting of \_\_\_\_\_

Open Session \_\_\_\_\_

Closed Session \_\_\_\_\_

**CIRCULATIONS**

**SENSITIVE** ☒  
**NON-SENSITIVE** ☐

72 Hour TALLY VOTE ☒  
24 Hour TALLY VOTE ☐  
24 Hour NO OBJECTION ☐  
INFORMATION ☐  
96 Hour TALLY VOTE ☐

**DISTRIBUTION**

**COMPLIANCE** ☒  
Open/Closed Letters ☐  
MUR ☐  
DSP ☐  
**STATUS SHEETS** ☐  
Enforcement ☐  
Litigation ☐  
PFESP ☐  
**RATING SHEETS** ☐  
**AUDIT MATTERS** ☐  
**LITIGATION** ☐  
**ADVISORY OPINIONS** ☐  
**REGULATIONS** ☐  
**OTHER** ☐